

Agricultural Management Assistance

Fact Sheet

Note: Agricultural Management Assistance (AMA) is authorized under the Agricultural Risk Protection Act of 2000, Title I, Section 133 (Public Law 106-224. Section 524(b), was further amended by the Farm Security and Rural Investment Act of 2002, (Farm Bill), Public Law 107-171, May 13, 2002.

Introduction

Agricultural Management Assistance (AMA) provides cost-share and incentive payments to agricultural producers to voluntarily address issues such as water management, water quality, and erosion control by incorporating conservation practices into their farming operations. Producers may construct or improve water management structures or irrigation structures; plant trees for windbreaks or to improve water quality; and mitigate risk through production diversification or resource conservation practices, including soil erosion control, integrated pest management, or transition to organic farming.

USDA's Natural Resources Conservation Service (NRCS) has leadership for the conservation provisions of AMA. The Agricultural Marketing Service (AMS) is responsible for an organic certification cost-share program and the Risk Management Agency (RMA) is responsible for mitigation of financial risk through an insurance cost-share program. AMA is budgeted at \$20 million per year. Funding for AMA is authorized through fiscal year 2007.

Benefits

Since AMA began in 2001, USDA has entered into 1,899 contracts, enrolled more than 392,000 acres into the program and obligated more than \$23.4 million to help producers implement resource conservation practices on working agricultural lands. In fiscal year 2005, NRCS received \$14 million to construct or improve water management structures or irrigation structures; plant trees for windbreaks/shelterbelts or to improve water quality; and mitigate risk through production diversification or resource conservation practices.

How AMA Works

AMA is available in 15 states where participation in the Federal Crop Insurance Program is historically low. They are: Connecticut, Delaware, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia, and Wyoming.

A conservation plan is required for the area covered in the application and becomes the basis for developing the AMA contract. NRCS will work with the landowner to develop a conservation plan. Landowners must agree to maintain cost-shared practices for the life of the practice. Contracts are for three to ten years. Incentive payments are permitted under AMA.

The NRCS state conservationist, in consultation with the State Technical Committee, will determine eligible structural and/or vegetative conservation practices using a locally led process. The Federal cost share is 75 percent of the cost of an eligible practice. Participants will be paid based upon certification of completion of the approved practice.

Eligibility

Applicants must own or control the land and agree to implement specific eligible conservation practices. Applicants must meet the Food Security Act's definition of "person." Eligible land:

- Cropland
- Hayland
- Pasture and rangeland
- Land used for subsistence purposes
- Other land (such as forestland) that produces crops or livestock where risk may be mitigated through operation diversification or change in resource conservation practices.

Practice Payments

The Federal cost-share rate shall be 75 percent of the cost of an eligible practice, based on the percent of actual cost, or percent of actual cost with not-to-exceed limits, or flat rates. Participants will be paid based upon certification and verification of completion of the approved practice.

Incentive payments may be made to encourage a producer to perform land management practices, such as nutrient management, manure management, integrated pest management, irrigation water management and wildlife habitat management.

Payment Limitation

The total AMA payments (from NRCS, AMS, and RMA) shall not exceed \$50,000 per participant for any fiscal year.

How to Apply for AMA

Applications may be obtained and filed at any time with your local USDA Service Center or conservation district office. Applications also may be obtained through USDA's e-gov Web site at: <http://www.sc.egov.usda.gov>. Enter "Natural Resources Conservation Service" in the Agency field, "Agricultural Management Assistance" in the Program Name field, and "CCC-1200" in the Form Number field. Applications also may be accepted by cooperating conservation partners approved or designated by NRCS.

For More Information

If you need more information about AMA, please contact your local USDA Service Center listed in the telephone book under U.S. Department of Agriculture, or your local conservation district. Information also is available on the World Wide Web at:

<http://www.nrcs.usda.gov/programs/farmbill/2002/>.

February 2005